



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY
WESTERN DISTRICT OF MISSOURI

TODD P. GRAVES

Contact Don Ledford, Public Affairs • (816) 426-4220 • 400 East Ninth Street, Room 5510 • Kansas City, MO 64106

www.usdoj.gov/usao/mow

DECEMBER 8, 2004
FOR IMMEDIATE RELEASE

Note: The federal information and plea agreement filed in U.S. District Court in Kansas City are available on-line and may be downloaded from the district's Web site at www.usdoj.gov/usao/mow

FUNERAL HOME OWNER PLEADS GUILTY TO \$403,000 FRAUD SCHEME

KANSAS CITY, Mo. – Todd P. Graves, United States Attorney for the Western District of Missouri, announced that a Unionville, Mo., funeral home owner pleaded guilty in federal court today to a fraud scheme that involved \$403,000 in false insurance claims for 59 persons who were not actually deceased.

Roger Dean Newman, 44, the owner and director of Newman Funeral Home in Unionville, waived his right to a grand jury and pleaded guilty before U.S. District Judge Scott O. Wright this morning to a federal information that charges him with five counts of mail fraud and wire fraud.

Newman admitted that, from June 19, 2001, to Dec. 11, 2003, he made false statements to three different insurance companies in order to receive \$403,000 in unauthorized funeral expense payments for 59 individuals who were not actually deceased.

Newman submitted fraudulent death claims to Forethought Insurance Company in Batesville, Ind., for 34 individuals from April 10, 2002, to Dec. 11, 2003, resulting in a loss of \$257,077 to the company. **Newman** submitted fraudulent death claims to Homesteaders Insurance Company in Des Moines, Iowa, for 19 individuals from July 25, 2002, to Nov. 19, 2003, resulting in a loss of \$127,130 to the company. **Newman** submitted fraudulent death claims to Missouri Funeral Trust, Inc., in St. Louis and Jefferson City, Mo., for five individuals from June 6, 2001, to Jan. 10, 2004, resulting in a loss of \$19,536 to the company.

Count One of the federal information charges **Newman** with mail fraud for a claim check that was mailed by Missouri Funeral Trust in response to a fraudulent insurance policy death claim. Each of the remaining four counts of the federal information charge **Newman** with wire fraud for separate instances in which fraudulent insurance policy death claims were transmitted to insurance companies. In each case, **Newman's** fraudulent claims resulted in a check being distributed from the insurance company and deposited into **Newman's** business checking account at the Farmer's Bank of Northern Missouri in Unionville.

Under federal statutes, **Newman** could be subject to a sentence of up to 35 years in federal prison without parole, plus a fine up to \$2,250,000. A sentencing hearing will be scheduled after the completion of a presentence investigation by the United States Probation Office.

By pleading guilty today, **Newman** also agreed to the revocation of his Missouri Funeral Director's License, his Missouri Embalmer License and his Funeral Establishment License in conjunction with proceedings undertaken by the Missouri Attorney General's Office.

This case is being prosecuted by Assistant U.S. Attorney K. Michael Warner. It was investigated by the Federal Bureau of Investigation.

This news release, as well as additional information about the office of the United States Attorney for the Western District of Missouri, is available on-line at
www.usdoj.gov/usao/mow